

Connecting U.S. Firms with Reconstruction Opportunities in Afghanistan

econstruction of Afghanistan's infrastructure was the focus of a major USTDA conference held June 8-10, 2003 in Chicago, Illinois. More than three hundred representatives of U.S. firms registered for this highly successful event.

Afghanistan - Rebuilding a Nation brought Afghan government officials together with U.S. suppliers

of engineering, construction and technology services and equipment. The event highlighted more than 35 large-scale projects in the areas of: electric power; water and sanitation; transportation, including roads and civil aviation; oil and gas development and pipelines; telecommunications; and construction. In addition, sessions were conducted on broader subjects, such as the general investment climate, security, financing, banking, and insurance.

To kick off the event, USTDA Director Askey read a letter from U.S. President George W. Bush welcoming conference participants. Afghan Minister of Reconstruction Amin Farhang introduced a videotaped greeting from Afghan President Hamid Karzai.

In addition, the Afghan Ministers of Commerce and Communications addressed conference participants. The Ambassador of Afghanistan to the United States, President Karzai's Chief of Staff, and six Deputy Afghan Ministers also made presentations during the event.

Key speakers on the U.S. side were Under Secretary of Commerce for International Trade Grant Aldonas, and Ambassador William Taylor, Jr., who currently serves as the State Department Coordinator of Assistance for Afghanistan.

U.S. companies at the event conducted dozens of one-on-one meetings with the Afghan delegates, and several firms hosted site visits for the Afghan delegation to nearby facilities.

At one of the conference lunches, the Overseas Private Investment Corporation signed a commitment letter for the Hyatt Kabul project. The groundwork for



Ambassador William Taylor, Jr., State Department Coordinator of Assistance for Afghanistan, delivers a keynote address at the Afghanistan - Rebuilding a Nation conference.

that project was laid by a USTDA hotel assessment carried out in early 2002.

The conference's success was ensured by the active participation of U.S. firms interested in assisting Afghanistan with its reconstruction efforts. USTDA anticipates the results as projects in Afghanistan are implemented.



Emel Erdemir serves as an Administrative Assistant at the CFC in Ankara, Turkey.

From the Field: An Overseas Perspective

USTDA benefits from the Foreign Service Nationals (FSNs) who serve in the agency's overseas offices. This issue of USTDA Update features an article by Emel Erdemir, a Turkish national, about her work at the Caspian Finance Center (CFC).

am the Administrative Assistant at the CFC, a joint USTDA, Overseas Private Investment Corporation (OPIC) and Export-Import Bank of the United States (Ex-Im Bank) office covering Central Asia, Caucasus, Afghanistan and Turkey, located in Ankara, Turkey. I work with the Business Development Managers for USTDA, Jennifer Snyder, and OPIC,

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The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.

USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. Operating at the nexus of foreign policy and commerce, USTDA is uniquely positioned to work with U.S. firms and host countries in achieving the agency's trade and development goals. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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FROM THE DIRECTOR'S DESK...

Thelma J. Askey, Director

USTDA uses its program to support a number of important U.S. economic policy and developmental objectives around the world. Our recent Afghanistan conference provides a very specific example of this. In addition, our submission to the U.S. Government's annual survey of trade capacity building activities shows the breadth of USTDA's activities around the world.

I am pleased that this issue of *USTDA Update* features a report on the Afghanistan reconstruction conference that we cosponsored in June. Recent USTDA trade capacity building work in Afghanistan provides a clear example of how the agency's many tools can be applied in a range of key sectors in support of U.S. foreign policy objectives and to benefit U.S. exporters and citizens of developing countries.

This year, the USTDA submission to the U.S. Government's annual trade capacity building survey includes more than \$20 million of USTDA activities. These encompass a diverse scope of activities, including sponsoring the Secure Trade in the Asia Region (STAR) Conference; an orientation visit for Southern African trade officials as part of the South African Customs Union FTA negotiation process; technical assistance for the primary telecommunications provider in Serbia to comply with new, more market-based regulations; and feasibility studies for a secure supply chain system in Thailand, an internet-based government procurement system for Russia, and a cargo airport in Mexico, to name but a few. The activities included in the survey, which will be released by the WTO and OECD, represent excellent examples of how the private sector and the U.S. Government can team together to provide valuable results in developing countries.

In recognition of the value of that teamwork, the Bush Administration has placed a strong emphasis on commercially oriented development in U.S. foreign assistance programs. This focus is critical because it represents a more effective strategy to achieve long-term developmental objectives around the globe.

To ensure that the story of the effectiveness of that strategy is properly told, we are engaged in a process of improving our analysis of the developmental impact of our activities. Our export multiplier shows the export value of our program and tells part of the story regarding developmental impact. We are building upon that to ensure that all of us, USTDA, the business community, foreign project sponsors, and other parts of the U.S. Government, have the benefit of a more complete picture of the developmental impact of our joint efforts. USTDA has a unique dual trade and development mission and it is important that we effectively account for the results of both missions and report on those successes. §

Southeast Europe Visit A Success

USTDA Chief of Staff Carl Kress and Regional Director for Europe Ned Cabot recently returned from a successful visit to the Southeast Europe countries of Bulgaria, Romania and Serbia & Montenegro. The trip demonstrated the USTDA commitment to expand economic cooperation with the countries of Southeast Europe and to contribute to their development.

While the pair was in Romania, the agency awarded three grants. The first will fund technical assistance associated with testing large-scale flood control technologies in the country's large river basins. Recognizing the importance of aviation safety worldwide, USTDA funded a separate technical assistance grant on the modernization and restructuring of the Romanian civil aviation security system. Finally, USTDA awarded a grant to fund a study on the expansion of the Municipality of Bucharest's information technology infrastructure. Meetings were also conducted with numerous private and public sector officials, including Romanian Minister of Economy and Commerce Dan Ioan Popescu.

Telecommunications projects were at the forefront of the pair's visit to Serbia & Montenegro. A USTDA grant was awarded to Serbia Broadband - Srpske Kablovske Mreze d.o.o for a study on a fiber optic backbone network. A separate grant was awarded to Telekom Srbija to fund technical assistance on developing accounting and costing methodologies. Both of these projects will contribute to the development and liberalization of the telecommunications market in Serbia.



USTDA Chief of Staff Carl Kress and Regional Director for Europe Ned Cabot recently toured the National Dispatch Center (NDC) in Romania. The NDC is operated by Transelectrica, the state-owned transmission system operator. The company is currently implementing a major SCADA investment with the assistance of a USTDA grant. Pictured here (left to right) are: Jean Constantinescu, Director General of the NDC; Carl Kress; Ned Cabot; and Razvan Purdila, Director of the Project Management Unit at NDC.

USTDA anticipates success, in terms of U.S. exports and developmental impact, from many other USTDA-supported projects in the region. Due to the high demand for the USTDA program in Southeast Europe, the agency expects to provide a substantial level of assistance to the region throughout the rest of 2003 and beyond.

From the Field continued from page 1

Peter Ballinger. Our office was originally created to support energy and pipeline projects in the region, but now has evolved to include investment and infrastructure development in many sectors.

I started working at CFC in 1999. Previously, I had worked at other smaller government offices, including the Canadian Embassy and the British Council, and I was delighted to have the opportunity to work for the U.S. Government. In time, I learned about the missions of USTDA, OPIC, and Ex-Im Bank, and started to understand their importance in the realization of many government and private sector projects.

Our office receives calls from companies that have projects and want information about the programs the CFC agencies offer. These companies appreciate being able to meet with the agency representatives in person here in Turkey. Since the Business Development Managers travel to the countries in the region regularly, I am available to answer inquiries from these firms.

When I started this job, work on the Baku-Tbilisi-Ceyhan Oil Pipeline kept our office very busy. During the last four years, we have seen many changes. With the election of the Ak Party government, a difficult Turkish economy, September 11, and the Iraq war, U.S.-Turkish relations have become even more complex.

Through all of these developments, we have continued our activities at the CFC. I believe the Turkish people would like better relations with the United States, both politically and economically. As a citizen of Turkey, I am pleased to play a part in strengthening this important bilateral relationship.

Emel Erdemir and Jennifer Snyder can be contacted at the CFC by calling 011-90-312-466-6081, by sending a fax to 011-90-312-466-6082, or by sending an e-mail to emel.erdemir@mail.doc.gov or jsnyder@tda.gov. &

UPCOMING EVENTS LINEUP

VIETNAM INFORMATION AND COM-MUNICATIONS TECHNOLOGY ORIENTA-TION VISIT

Vietnamese officials representing the country's rapidly developing information and communications technology (ICT) industry will meet with representatives of U.S. ICT companies. The Government of Vietnam has identified the development of the ICT industry as a national priority. The orientation visit will highlight several specific upcoming projects that will be developed over the next several years.

Dates: September 5-17, 2003

Locations: Chicago, IL; Newark, NJ; San Diego, CA; and Washington, DC

Contact: Bernard Markowicz at (703) 255-1101

E-mail: markowicz@decisionanalysis.net

CHINA SHANGHAI EMERGENCY RE-SPONSE OFFICIALS ORIENTATION VISIT

The Shanghai municipal government is interested in purchasing foreign equipment and technology to upgrade the city's existing emergency response infrastructure. USTDA will sponsor a visit by Shanghai officials to the Federal Emergency Management Administration, municipal fire departments, and the New York/New Jersey Port Authority.

Dates: September 15-25, 2003

Locations: Washington, DC; Chicago, IL; New York, NY; and Los Angeles, CA

Contact: David Elliott at (202) 429-5245

E-mail: mak@kealtd.com

CHINA CABLE TELEVISION INDUSTRY AND ORIENTATION VISIT

Chinese cable authorities will attend an orientation visit to introduce them to modern U.S. cable equipment and technology. It will also provide an arena to expose the delegation to the current policies of the Federal Communications Commission and the operational practices of large U.S. cable firms.

Date: September 16-27, 2003

Locations: Washington, DC; New York, NY; Denver, CO; and Atlanta, GA

Contact: Bernard Markowicz at (703) 255-1101

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USTDA Activities Support Projects Across Eurasia

Ahighlight in the Eurasia region last quarter was the Afghanistan Reconstruction Conference held in June (see article on front cover). In addition, USTDA's Eurasia team is active in a number of sectors and countries across the region.

In Turkey, for example, USTDA recently awarded two grants, including one to OYAK, Turkey's largest private pension group, to fund a study on a mortgage lend-

ing system that will increase home ownership in Turkey. A separate USTDA grant to Pinar ET Group will examine the potential use of the North American model of beef cattle farming in Turkey.

In Ukraine, UST-DA provided a grant on the development of an air cargo hub at Gostomel Airport. A separate USTDA grant was awarded to assess the modernization needs of the telecommunica-

tions system of the Department of Customs of Moldova.

In the Caucasus, USTDA awarded a grant on a satellite and space project to be based in Garni, Armenia. The project will capitalize on Armenia's strengths in both informa-

tion technology and scientific research.

USTDA also remains active in Russia. The agency awarded a grant to the Agency for the Development of International Cooperation of Tatarstan, an autonomous constituent republic of the Russian Federation, to fund a study on the development of an investment bank. The bank would provide both debt and equity financing.

In addition, a Russian delega-

tion participated in a USTDA District Energy/Combined Heat and Power Orientation Visit, which brought specialists from Eurasia and Europe to Philadelphia to attend the International District Energy Association's 94th Annual Conference. The delegates also visited several facilities in Baltimore.

In Afghanistan, a USTDA grant was awarded on a proposed American University. If established, the univer-

sity would follow in the tradition of similar American universities worldwide.

In addition to its activities in many priority Frontline States, USTDA's Eurasia team will continue to support a broad-based program across the region. **

USTDA Helps Establish Flight Training Center in China

AUSTDA grant awarded last year to establish a Flight Standards Training Center (FSTC) in China is helping to advance aviation safety in that country. The FSTC is designed to provide training in a wide variety of topics, ranging from airworthiness to cabin safety.

Since the award of the USTDA grant, the FSTC has developed two general training syllabi. The first one is designed for Operations Inspectors, while the other targets Maintenance Inspectors. FSTC instructors are now preparing to present a sample training course on each program.

The availability of these seminars comes as the General Administration of Civil Aviation of China implements its long-awaited regional reform plan. This process involves hiring new employees and shifting existing personnel. As it moves forward, it is anticipated that a significant number of Chinese inspectors will benefit from the training available at the FSTC.

In addition to training Chinese personnel, the Center will provide assistance to invited officials from neighboring countries, including South Korea and Mongolia, at no additional cost. Their participation will help the three nations enhance regional cooperation for aviation safety under U.S. leadership.



A USTDA-funded study in Ukraine will focus on modernizing the shipping capabilities of Gostomel Airport, located outside of Kiev. Pictured here at the grant signing ceremony (left to right) are: former U.S. Ambassador to Ukraine Carlos Pascual and General Director of Antonov ASTC Volodymyr Korol.

Technical Assistance Grants Promote Infrastructure Development in Latin America and the Caribbean

USTDA has maintained a strong regional program in Latin America and the Caribbean in support of a wide range of infrastructure projects. Recently, USTDA awarded two technical assistance grants in Colombia and one in Peru.

The first grant in Colombia will provide technical assistance on the development of an aeronautical meteorology system. Meteorological services are a critical part of modern integrated air traffic management systems. If implemented, the new system will increase the operational capabilities of airlines in Colombia by allowing pilots to receive reliable real-time weather forecasts and avoid hazardous weather conditions.

A second grant in Colombia will help to determine a strategy for improving the monitoring of water usage. At present, Colombian water service providers are severely hampered by their inability to charge and collect tariffs that cover the cost of investment, operations and maintenance. To address this issue, USTDA is funding assistance to determine a method for reducing "lost and unaccounted for water" nationwide.

In Peru, USTDA awarded a grant to assist in developing a strategy to strengthen the country's telecommunications regulatory framework. The USTDA grant will assess the conditions and level

of competition in local, long-distance, wireless, and international telecommunications and cable television service.



USTDA awarded a technical assistance grant to the Comisión de Regulación de Agua Potable y Saneamiento Básico (CRA) to determine a strategy for improving the monitoring of water usage in Colombia. Pictured here at the grant signing (left to right) are: Christian Stapper, Executive Director of CRA; Her Excellency Cecilia Rodriguez, Minister of the Environment, Housing and Land Development of Colombia; Richard Baca, Chargé d'Affaires at the U.S. Embassy; and Karla King, Commercial Counselor at the U.S. Embassy. Standing is Julio Carbo, Commercial Specialist at the U.S. Embassy.

USTDA's Latin America and the Caribbean team looks forward to a strong end of the fiscal year. The region is also developing a pipeline of projects for fiscal year 2004.

Outstanding USTDA Employees Recognized

STDA Director Askey recently presented commendation letters to three USTDA employees.

Geoffrey Jackson was named as the USTDA candidate for Federal Employee of the Year. This nomination



Director Askey presented commendation letters to Daniel D. Stein (far left), Jennifer Snyder (second from left), and Geoffrey Jackson (far right).

was made in recognition of his effective leadership as Regional Director for Asia and his strong performance in his new role as Assistant to the Director for Policy Planning. Daniel D. Stein, Regional Director for Eurasia, was recognized for his work in establishing the agency's program in Afghanistan and Iraq. Jennifer Snyder, Caspian Business Development Manager, was commended for her role in organizing the Afghanistan – Rebuilding a Nation Conference.

USTDA congratulates Geoff, Dan and Jennifer on their achievements and appreciates the hard work of all of its employees throughout the year.

Supporting Administration Priorities in the Middle East

USTDA has strategically focused its program on facilitating greater economic integration and market liberalization in North Africa and the Middle East. Despite challenging economic and political conditions, demand for USTDA services in this region remains high.

So far this year, USTDA has committed over \$3.5 million to new activities in the region. Sectors include aviation safety, waste management, petrochemical development and renewable energy. The infrastructure and manufacturing projects targeted are critical to economic development in the countries concerned. In addition, USTDA is prepared to support trade capacity building programs as countries seek to reap the benefits of increased trade.

Trade facilitation is a priority of the USTDA program in the Middle East region, including port modernization projects. Given the threat that terrorism poses to economic

integration and the efficient transportation of goods, USTDA is focusing on securityrelated requirements.

To this end, USTDA is preparing a global conference on port and container security that will be hosted in the Middle East in early 2004. The event addresses commercial solutions to secure international cargo traffic against potential sources of terrorism.

USTDA is also preparing to dispatch Definitional Missions to the Palestinian territories to assess potential projects in the telecommunications and transportation sectors. These sectors are key to the success of President Bush's road map for lasting peace in the Middle East.

USTDA is working to advance important U.S. objectives in the middle east while helping U.S. firms to overcome the challenges of doing business there.

USTDA Awards Grant on Sub-Sovereign Financing

Recently, USTDA awarded a grant to Tamil Nadu Urban Infrastructure Financial Services Ltd. (TNUIFSL) to fund an innovative environmental project in India. It is one of several that will help secure sub-sovereign financing for critical water and sanitation infrastructure projects.

USAID and World Bank programs were engaged in setting up TNUIFSL, which is a model for financing water and sanitation infrastructure in India and the developing world. The USTDA grant will help TNUIFSL to become a fully functioning bond bank.

USTDA is also planning to assist a recently privatized water authority in Thailand with access to private capital markets. USTDA



Pictured here at the TNUIFSL grant signing ceremony (left to right) are: Deputy Senior Commercial Officer Donald Nay and Consul General Richard D. Haynes, both of the U.S. Consulate in Chennai, India, and Managing Director of TNUIFSL Dr. Krishnawamy Rajivan.

would fund credit ratings and related training. Both projects in India and Thailand are based upon a model of sub-sovereign financing that has been successful in the United States.

Staff News

USTDA welcomes Anthony Grayson and Susan Yang, who have joined the agency as Contracts Manager and Assistant to the Director and Deputy Director, respectively. Tony brings many years of contracting experience to the agency. Susan has extensive experience on Capitol Hill and has worked on various policy issues.

USTDA bids a fond farewell to four staffers: Contracts Specialist Joseph Kendrick and Country Managers Justin Tomljanovic, Melissa Eustace, and Sonia Peters. Each of them was a tremendous asset to the agency.

USTDA was fortunate to have four



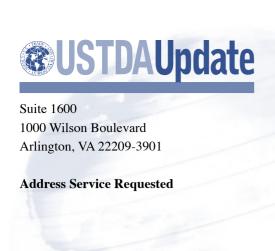
Pictured here are the agency's Summer 2003 interns, (left to right) Kendra Link, Jeannie Choi, Anthony Shop, and Kathryn Dorminey.

outstanding interns this summer. Jeannie Choi worked on various projects in the Office of External Relations.

The Evaluations Office was assisted by two interns this summer. Kathryn Dorminey analyzed the developmental impact of USTDA-funded activities in host countries. Anthony Shop helped to update feasibility study conclusions in its database.

Kendra Link interned in the Office of General Counsel. She reviewed contracts and assisted with legal research.

USTDA thanks Kathryn, Anthony, Kendra and Jeannie for their contributions to the agency.



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Profile on USTDA Transportation Security Activities

STDA supports a wide variety of sectors and projects around the world. In 2003, USTDA has undertaken a number of transportation security related projects, involving customs modernization, vessel and cargo tracking systems, and seaport and airport security up-grades.

The following examples offer a brief overview of recent USTDA transportation security activities worldwide.

- Central American Customs X-Ray Inspection: USTDA funded a study to introduce automated manifest verification technology in seven Central American economies.
- *Gulf of Suez Vessel Traffic System (VTS): USTDA funded a study on the construction of a VTS system utilizing modern communications and equipment in the Gulf of Suez.
- Jordan Center for Aviation: A USTDA grant helped to modernize Jordan's border security procedures and facilities.
- Latin American Airport Security: USTDA supported a U.S. visit by airport security officials to introduce them

- to U.S. standards and demonstrate security technology.
- *Moldova Telecommunications: A USTDA grant is strengthening customs administration in Moldova by modernizing the Department of Customs' telecommunications system.

Philippines and Indonesia

Transportation: USTDA completed Definitional Missions to the Philippines and Indonesia to identify projects focusing on airport and port facilities.

Romania Civil Aviation Security Master Plan: A USTDA grant is helping to develop a plan for modernizing and restructuring the Romanian civil aviation security system.



A recent USTDA grant is helping to improve customs administration in Moldova by upgrading the Department of Customs' telecommunications system. Speaking here at the USTDA grant signing ceremony is former U.S. Ambassador to Moldova Pamela Hyde Smith.

- **♦ Secure Trade in the APEC Region** (STAR) Conference: USTDA cohosted a conference on ways to promote secure and efficient trade at seaports and airports.
- ❖ Uzbekistan Civil Aviation and Security: USTDA is helping to modernize the aviation security system in Uzbekistan.